Proceeding International Seminar on Islamic Studies Vol. 5, No. 1 (2024)
Thailand, February 10-11, 2024 E-ISSN:2722-7618 | P-ISSN:2722 7626

# THE INFLUENCE OF WOMEN CEOS, WOMEN BOARD OF DIRECTORS AND AUDIT COMMITTEE ON THE PERFORMANCE OF BANKING COMPANIES LISTED ON THE INDONESIA STOCK EXCHANGE

**Riananda Safitri[1*]**
**Arif Pratama Marpaung[2]**

[*1, 2] Faculty of Economics and Business
Muhammadiyah University of North Sumatra
[*1]email: riananda830@gmail.com

***Abstract:*** The purpose of this study was to determine and analyze the influence of female CEOs, female board of directors and audit committees on the performance of banking companies listed on the Indonesia Stock Exchange. This study uses the theory of Financial Management related to female CEOs, female boards of directors, and audit committees. The approach used in this study is to use an associative approach and the type of data used is quantitative. The population in this study were 58 banking companies. The total sample is 45 banking companies listed on the Indonesia Stock Exchange which published financial reports for the 2019-2021 period using a proportional sampling technique. Methods of data analysis using panel data regression. The results of the study show that female CEOs have no effect on company performance, female board of directors have no effect on company performance, and audit committees have no effect on company performance. The results of the research on the control variables company age has no effect on company performance, company size has no effect on company performance, and leverage has no effect on the performance of banking companies listed on the Indonesia Stock Exchange.

***Keywords:*** Female CEO, Women's Board of Directors, Audit Committee

## Introduction

Corporate governance is a mechanism for regulating and managing business, prosperity and corporate responsibility, the ultimate goal of which is to realize shareholder value. Control is directed at monitoring manager behavior so that the actions taken by managers can be useful for the company and its owners. Corporate governance internally in a company can function as a tool to monitor management performance and reduce agency conflicts. The need to implement corporate governance is an important part of a company in order to create added value for all interested parties (Muryati & Suardikha, 2014).

The success of good corporate governance is influenced by many factors, which can be broadly divided into two groups, namely macro factors (government regulations and requirements) and micro factors (corporate governance mechanisms) in companies based on corporate governance. From an internal perspective, the success of good management is influenced by share ownership, the role of directors and the role of the audit committee in good management mechanisms (Astuti, 2017). According to Sweetman in Johl and Kaur more female board members can provide more facts and details. Women are generally more interested in finding facts, asking lots of questions. It is interesting to know how organizations really work by being honest about organizational weaknesses (Anggraeni et al., 2016). Astuti (2017)states that usually more women have thoughts about decision analysis.

Corporate performance is something a company achieves relative to standards over a certain period of time. The results of this activity must be measurable and describe the empirical situation of the company. Companies that are very successful are guaranteed to survive because they gain the trust of the public, making people feel comfortable investing in the company (Syafirqurrahman et al., 2014).

The CEO's performance is that apart from communicating company policies, the company CEO also has his own role in informing the public. In a company, there are male or female managers who are responsible for decisions that affect the company's financial performance. Physically , the difference between men and women is that men are physically strong while women are physically weak. Men and women have several basic differences, namely that more women mature faster than men, women can be called adults from the time they are 19 years old, while men are considered adults. at the age of 25 years(Tullah, 2017).

The performance of the board of directors is carried out collectively and individually through an independent process every year by comparing the company's level of achievement against approved key performance indicators.

The audit committee will carry out its duties more objectively and deftly because it is not influenced by the interests of management, so that the performance of the audit committee in maintaining the integrity of financial reports will be more optimal (Adiati & Adiwibowo, 2017). The audit committee is a committee that works professionally and independently which was formed from the board of commissioners, its task is to assist and strengthen the function of the board of commissioners in carrying out its supervisory function over the financial reporting process, risk management, audit implementation and implementation of company business management (Widyati, 2013).

The main task of banking is financing mediation, namely the process of purchasing surplus funds from businesses, governments and households channeled to unprofitable economic entities (Siringoringo, 2012). Banks face a complex range of risks in their daily operations, including risks related to credit, liquidity, concentration exposure, interest rates, exchange rates, settlements, and internal operations. Bank business characteristics, such as maturity mismatches between assets and liabilities, high relative gearing, and reliance on credit or trust, create particular vulnerabilities. The consequences of poor risk management can be very detrimental, not only for individual banks but also for the entire financial system.

Control variables are considered confounding variables because the presence of these variables interferes with understanding the relationship between the independent and dependent variables. Control variables can also be used as emphasis variables. If the results of the analysis of the relationship between two variables show that there is a relationship or influence between one variable and another variable, and when tested with control variables, the relationship appears clearer (S. Nasution, 2017).

## Literature Review

### Female CEO

CEO (Chief Executive Officer) is the company's highest position (leader) or administrator who is responsible for the organization of all business activities. As a manager, the CEO oversees the daily, monthly and annual operations of the organization. Consistent with existing research results as mentioned previously, women and men behave differently when facing the same situation or the same problem(Maula & Rakhman, 2018).

### Female Board of Directors

The Board of Directors is the company's decision-making body. The policies and strategies implemented by the company's directors in the Company will identify the policies and strategies that will be followed in either the short or long term (Setiawan et al., 2016). A board of directors is the plural form of administrators are people appointed by the action holder to run the business. The director's job is to represent the interests of the company's management shareholders. The board of directors has executive power in a company. The directors are responsible for maintaining business operations within the limits determined by company law (Muhammad & Pribadi, 2020).

**Audit Committee**

An audit committee is a group of people selected by a larger body to do a particular job or perform a particular task, or members of a particular committee of a client company, who are responsible for helping auditors maintain their independence from with respect to management. It can be concluded that the audit committee is a group of people selected and formed directly by the supervisory board to assist the supervisory board in carrying out its mission, in particular to supervise the process of presenting company accounts with the aim of producing information.

**Control Variables**

**Board Size**

Board size is the number of management and employees of the company committee. The supervisory board is a company body that carries out the task of carrying out general and/or specific supervision in accordance with the provisions and providing notification to the board of directors. The Board of Directors is a legal entity that has the authority and full responsibility for managing the company for the interests of the company in accordance with the aims and objectives of the company as well as representing the company before and outside of court in accordance with legal requirements.(Kurniati, 2017)

**Firm Size**

The firm size ratio is a company size that describes the size of the company. A company is determined by several things, the others being total sales, total assets and average sales. Large companies will find it easier to access the capital market (Hanif, 2017). Company size describes the size of the company as shown by total assets, total sales, average sales and average total wealth.

**Leverage**

Leverage is a financial ratio measure of which part of a company's assets is financed by debt, i.e. the amount of debt issued by a company compared to its total debt assets (Damayanti et al., 2019). Leverage is also a measure of the amount of assets funded with debt. The ability of debt to fund assets comes from creditors, not company shareholders and investors who invest capital, an indicator of the profitability of the company's efficiency in generating profits.

**The Influence of Female CEOs on Banking Company Performance**

Ceo (chief executive officer) is the company's highest position (leader) or administrator who is responsible for the organization of all business activities. As a manager, the ceo oversees the daily, monthly and annual operations of the organization (Maula & Rakhman, 2018).

Indicator variables, often called dummy variables, are analyzes that convert qualitative variables into quantitative variables. These variables include binary variables. Qualitative factors can be included in regression analysis using change indicators. The qualitative variables analyzed take the value 1 or 0(Lestari & Anondho, 2018)

The results of previous research by (Ujunwa et al., 2012)us have found that there is a positive impact on the performance of foreign CEOs and company performance. Meanwhile, according to(Ciavarella, 2017) The CEO will have a positive impact on company performance as measured by ROA and Tobin's Q. Meanwhile, the results of this study show that CEO turnover has a significant positive effect on company performance.(Wardani, 2018).

**The Influence of the Board of Directors on Banking Company Performance**

The Board of Directors as a company organ is responsible and collegial in managing the company. Each member of the board of directors can carry out their duties and make decisions in accordance with their division of duties and authority. However, the implementation of duties by each member of the board of directors remains a shared responsibility (Andhitya Rahmawati et al., 2017).

Company performance can be used as a guide to measure business success. Company performance is a measurement of business performance from the management decision-making process in relation to the effectiveness, efficiency and profitability of entertainment activities. The showing of financing that can be obtained by a company within a certain period of time is a sign of the health of the company in addition to being able to provide profits for capital holders or investors, a healthy business is proof of the ability to pay debts on time (Fidhayatin & Dewi, 2012).

The results of previous research conducted by (Carter et al., 2003)said that there is a positive correlation between women (minorities on the board) and company values. The research results (Cindiyasari, 2017)show that the size of the board of directors has a positive and significant influence on the company's financial performance. Meanwhile, according to (Nugroho & Raharjo, 2014) the results show that the size of the board of directors has a positive and significant influence on the company's financial performance

**The Influence of the Audit Committee on Banking Company Performance**

The audit committee consists of a supervisory board that carries out control functions over the company's operations and management. The existence of an audit committee is very important for company management. The audit committee is a new component of the corporate control system beyond which the audit committee is seen as a liaison between shareholders and the board of directors working with management on control issues (M. Nasution, 2013).

The results of previous research conducted by (Anderson et al., 2004)the greater number of audit committees held will provide the company with more protection and control of the accounting process and financially, it will end up having a positive impact on the company's financial performance. The research results (Arifani, 2013)support this, saying that the size of the audit committee has a positive and significant influence on the company's financial performance. Meanwhile, the research results (Alqatan et al., 2019)show that the audit committee has a significant positive influence on the performance of banking companies.

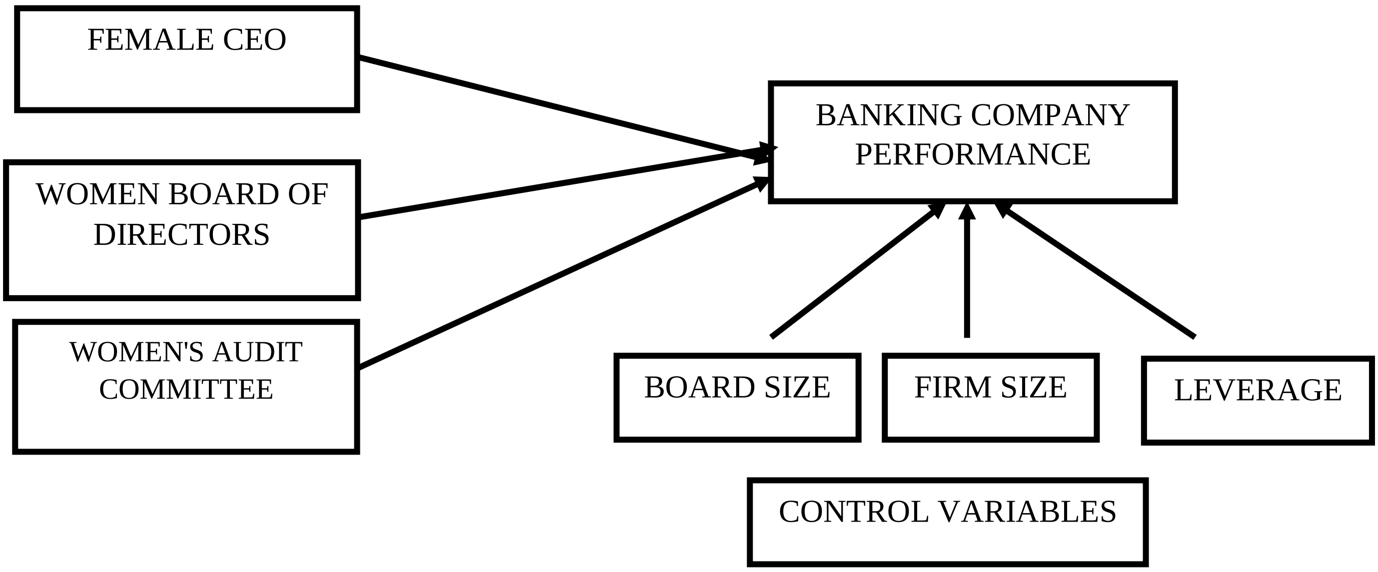


**Figure 1. Research Paradigm**

**Method**

**Population, Sample and Research Data**

The population in this research is all banking companies listed on the Indonesia Stock Exchange (BEI) in the 2019 - 2021 period, totaling 58 companies.

The sample used in this research was 45 banking companies listed on the Indonesia Stock Exchange (BEI) in the 2019 - 2021 period. The sample is representative of the population and the sampling method used in this research is purposive sampling. According to (Juliandi, 2014) The Purposive Sampling Method is a sampling technique from a population by considering certain factors, both considerations from experts and scientific considerations. This type of method is included in the non-probability sampling category, namely a sampling method where not all members of the population have the same opportunity to be part of the research sample.

The data collection technique used in this research is using a panel data regression model used to carry out the regression. Panel data itself refers to a combination of time series data (between times) and cross section data (between individuals or space). For data processing, this research uses Microsoft Excel software. Testing classical assumptions is a prerequisite for analyzing panel data regression. In this research, only multicollinearity tests, heteroscedasticity tests and autocorrelation tests were carried out as part of checking classical assumptions.

**Table. 1. Descriptive Statistics**

| | Mean | Median | Std. Dev. | Maximum | Minimum |
|---|---|---|---|---|---|
| **TOBINSQ** | 2.324761 | 1.0088 | 6.381534 | 66.2272 | 0.23 |
| **ROA** | 7.564742 | 0.0508 | 53.23341 | 542.2079 | 0.0016 |

| | | | | | |
|---|---|---|---|---|---|
| **CEO** | 0.059701 | 0 | 0.237822 | 1 | 0 |
| **BOARD_W** | 0.589552 | 1 | 0.493761 | 1 | 0 |
| **BOARD_WP** | 0.096728 | 0.0909 | 0.097077 | 0.3333 | 0 |
| **AUDIT_WP** | 0.198993 | 0.3333 | 0.212864 | 0.6667 | 0 |
| **AUDIT_W** | 0.514925 | 1 | 0.501653 | 1 | 0 |
| **BOARDS** | 6.432836 | 6 | 2.665423 | 13 | 3 |
| **FSIZE** | 31.48195 | 31.2096 | 1.712878 | 35.0844 | 28.4103 |
| **LEV** | 0.7771 | 0.8173 | 0.206151 | 0.95820 | 0.1371 |

TQ = Tobin's Q Ratio, ROA= return on assets, CEO = existence of a female CEO, Board_W = existence of female directors, Board_WP = proportion of female directors, Audit_W = existence of female auditors, Audit_WP = Proportion of female auditors, Board: Number of Board of Directors, FSize= Logs. Natural of Total Assets, Lev= Debt to Total Asset Ratio. Source: eviews results (2023).

Based on table 1. the maximum value for tobinsq is 66.20, while the minimum value is 0.23. The mean or average of company value is 2.32 with a standard deviation of 1.0008. A standard deviation that is smaller than the mean means that the data on women's board of directors tends not to vary (homogeneous). Furthermore, for the ROA variable the maximum value is 7.54 while the minimum value is 0.0016. This explains that banking companies have quite a high disparity between large banks and small banks.

In the CEO, Board_W and Audit W variables are dummy variables so that the maximum and minimum values tend to be the same. This results in having a smaller standard deviation so that there tends to be low differences or variations (homogeneous). Meanwhile, the proportion shows a tendency for a small maximum value, namely 0.666 for the Audit_WP variable and 0.333 for Board_WP. This shows that there is still low participation of women on the board of directors and auditors.

Furthermore, for the control variable, board size, the maximum value is 13, for the company size variable, the maximum value is 35.08, and for the Leverage variable, the maximum value is 0.9582. A standard deviation that is smaller than the average means that the data tends not to vary (homogeneous).

**Multicollinearity Test**

**Table 2. Correlation Matrix**

| | CEO | BOARD_WP | BOARD_W | AUDIT_W | AUDIT_WP | BOARDS | FSIZE | LEV |
|---|---|---|---|---|---|---|---|---|
| CEO | 1,000000 | | | | | | | |
| BOARD_WP | 0.370346 | 1,000000 | | | | | | |
| BOARD_W | 0.210246 | 0.834503 | 1,000000 | | | | | |
| AUDIT_W | 0.244564 | 0.315301 | 0.313290 | 1,000000 | | | | |
| AUDIT_WP | 0.258617 | 0.228314 | 0.306066 | 0.107420 | 1,000000 | | | |

| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| BOARDS | -0.159684 | -0.127294 | 0.341673 | 0.085103 | 0.222539 | 1,000000 | | |
| FSIZE | -0.098145 | 0.071825 | 0.399149 | 0.170768 | 0.328796 | 0.753479 | 1,000000 | |
| LEV | 0.013084 | -0.090234 | -0.047424 | 0.050064 | 0.055391 | 0.036493 | 0.018462 | 1,000000 |

TQ = Tobin's Q Ratio, ROA= return on assets, CEO = existence of a female CEO, Board_W = existence of female directors, Board_WP = proportion of female directors, Audit_W = existence of female auditors, Audit_WP = Proportion of female auditors, Board: Number of Board of Directors, FSize= Logs. Natural of Total Assets, Lev= Debt to Total Asset Ratio. Source: eviews results (2023).

Multicollinearity testing aims to test whether the regression model has a correlation between independent variables. Multicollinearity can be determined from the correlation coefficient value obtained from the correlation matrix results. If the correlation coefficient value between each independent variable is less than 0.8, it can be said that multicollinearity does not occur. Based on table 4.3, it can be seen that there is no correlation coefficient value for each independent variable that shows more than 0.80 or (correlation coefficient value <0.8). So it can be concluded that there is no multicollinearity problem in the regression model.

**Heteroscedasticity Test**

Heteroscedasticity testing aims to determine whether the regression model has inequality of variance from the residuals of one observation to another observation. If the variance from the residual from one observation to another is constant, then it is called homoscedasticity and if it is different it is called heteroscedasticity. This research will use the ARCH test, the model meets the requirements if the p-value > alpha (0.05).

**Table 3. Heteroscedasticity Test Results**

| Heteroskedasticity Test: ARCH | | | |
|---|---|---|---|
| F-statistic | 0.734884 | Prob. F( 1.292) | 0.392 |
| Obs*R-squared | 0.73806 | Prob. Chi- Square( 1) | 0.3903 |

Source: Eviews Results (2023)

In the results of table 3, the p-value is 0.390. This result shows p-value > alpha, which means the regression model is homoscedasticity or there is no problem with the heteroscedasticity assumption.

**Test Chow**

The Chow test was carried out to determine the most appropriate model to use in estimating panel data between the common effect and fixed effect models. The criteria in the chow test are as follows:

a. Ho: Common Effect Model
b. Ha: Fixed Effect Model

The guidelines that will be used in drawing chow test conclusions are as follows: a. If p-value > alpha then Ho is accepted. b. If the p-value < alpha then Ho is rejected.

**Table 4. Cow Model 1 Test Results**

| Effects Test | Statistics | df | Prob. |
|---|---|---|---|
| Cross-section F | 2.394899 | (44.81) | 0.0003 |
| Chi-square cross-section | 111.664142 | 44 | 0.0000 |

Source: Eviews Results (2023)

In table 4. the results of the cow model one test where Tobins Q is the Dependent Variable shows that the probability value is 0.000. If the value is smaller than 0.05 then Ho is rejected, so it can be concluded that model one must be continued with the Hausman test to determine the best model between the Fixed Effect model or the random effect model.

**Table 5. Cow Model 2 Test Results**

| Effects Test | Statistics | df | Prob. |
|---|---|---|---|
| Cross-section F | 288.712183 | (44.79) | 0.0000 |
| Chi-square cross-section | 671.401058 | 44 | 0.0000 |

Source: Eviews Results (2023)

Furthermore, in table 5, the cow model test results with ROA as the dependent variable show that the probability value is 0.000. If the value is smaller than 0.05 then Ho is rejected, so it can be concluded that in model two the Hausman test must be continued to determine the best model between the Fixed Effect model or the random effect model.

**Hausman test**

The Hausman test is to determine whether the fixed effect model or the random effect model is the best or most appropriate to use. The criteria are as follows:

a. H0: Random Effect (RE) Model

b. Ha: Fixed Effect (FE) Model

The guidelines that will be used in drawing conclusions from the Hausman test are as follows:

a. If the p-value > alpha then Ho is accepted.

b. If the p-value < alpha then Ho is rejected.

**Table 6. Hausman Model 1 Test Results**

| Test Summary | Chi-Sq. Statistics | Chi-Sq. df | Prob. |
|---|---|---|---|
| Random cross-section | 13.575892 | 8 | 0.0935 |

Source: Eviews Results (2023)

In table 6, the test summary section shows that the p-value is 0.00935. This value is greater than alpha. So Ho is accepted, so it can be concluded that the random effect model is better than the fixed effect model. So it can be concluded that model one must be continued with the Langrange multiplier test to determine the best model between the random effects model or the common effects model.

**Table 7. Hausman Model 2 Test Results**

| Test Summary | Chi-Sq. Statistics | Chi-Sq. df | Prob. |
|---|---|---|---|
| Random cross-section | 8.089418 | 8 | 0.4248 |

Source: Eviews Results (2023)

In table 7 in the test summary section it shows that the p-value is 0.4248. This value is greater than alpha. So Ho is accepted, so it can be concluded that the random effect model is better than the fixed effect model. So it can be concluded that model two must be continued with the Langrange multiplier test to determine the best model between the random effects model or the common effects model.

The guidelines that will be used in drawing conclusions from the Hausman test are as follows:

a. If the p-value > alpha then Ho is accepted.
b. If the p-value < alpha then Ho is rejected.

**Table 8. Langrange Multiplier Test Results Model 1**

| | Cross-section | Time | Both |
|---|---|---|---|
| Breusch-Pagan | 7.625185 | 0.311393 | 7.936579 |
| | -0.0058 | -0.5768 | -0.0048 |

Source: Eviews Results (2023)

In table 8 the Breusch-Pagan section shows the p-value is 0.00. This value is smaller than alpha. So Ho is rejected, so it can be concluded that the random effect model is better than the fixed effect model. Based on these conclusions, it was decided that the random effect model was the model used in this research in model 1 with Tobins'Q as the dependent variable.

**Table 9. Langrange Multiplier Test Results Model 2**

| | Cross-section | Time | Both |
|---|---|---|---|
| Breusch-Pagan | 27.6961 | 0.456813 | 28.15291 |
| | 0,000 | -0.4991 | 0,000 |

Source: Eviews Results (2023)

In table 9, the Breusch-Pagan section shows the p-value is 0.00. This value is smaller than alpha. So Ho is rejected, so it can be concluded that the random effect model is better than the fixed effect model. Based on these conclusions, it was decided that the random effect model was the model used in this research in model 2 with ROA as the dependent variable.

**Partial Hypothesis Testing (T Test)**

The t test aims to find out which variables have an influence on the dependent variable. Partial hypothesis testing uses the t test, namely by looking at the level of significance with the error level (alpha). If the p-value < alpha then it is stated that there is an influence and if the p-value > alpha it is stated that there is no influence.

**Table 10. Partial Hypothesis Results (T Test)**

| Dependent Variable: Tobins'q | | | |
|---|---|---|---|
| Variables | Coefficient | t-Statistics | Prob. |
| C | 24.3742 | 1.49024 | 0.1387 |
| CEO | 3.31031 | 1.09637 | 0.275 |
| BOARD_W | -3.5777 | -0.9351 | 0.3516 |
| BOARD_WP | 14.5637 | 0.73682 | 0.4626 |

| | | | |
|---|---|---|---|
| AUDIT_W | -1.0455 | -0.1367 | 0.8915 |
| AUDIT_WP | -0.9917 | -0.316 | 0.7525 |
| BOARDS | 0.75815 | 1.56324 | 0.1205 |
| FSIZE | -0.806 | -1.4215 | 0.1576 |
| LEV | -0.4208 | -0.1431 | 0.8864 |
| | | | |
| Dependent Variable: ROA | | | |
| Variables | Coefficient | t-Statistics | Prob. |
| C | -93.21 | -0.6521 | 0.5155 |
| CEO | -2.4626 | -0.092 | 0.9269 |
| BOARD_W | 17,381 | 0.52835 | 0.5982 |
| BOARD_WP | -64,735 | -0.3773 | 0.7066 |
| AUDIT_W | -8,891 | -0.1367 | 0.8915 |
| AUDIT_WP | -6.3994 | -0.2391 | 0.8115 |
| BOARDS | -3.0112 | -0.7202 | 0.4728 |
| FSIZE | 3.62986 | 0.74003 | 0.4607 |
| LEV | 8.93386 | 0.35008 | 0.7269 |

TQ = Tobin's Q Ratio, ROA= return on assets, CEO = existence of a female CEO, Board_W = existence of female directors, Board_WP = proportion of female directors, Audit_W = existence of female auditors, Audit_WP = Proportion of female auditors, Board: Number of Board of Directors, FSize= Logs. Natural of Total Assets, Lev= Debt to Total Asset Ratio. Source: eviews results (2023).

## Discussion

### The Influence of Female CEOs on Company Performance

Growing concerns regarding gender equality have resulted in a large number of regulations across the globe aimed at increasing the representation of women on corporate boards (Green & Homroy, 2018). Increasing women's representation is an opportunity to source talent from the largest workforce pool, which tends to be more stakeholder-oriented and suited to market demand (Arayssi et al., 2016). However, in this research, efforts to prove that the involvement of women in the CEO structure has negative results.

Research (Kalbuana et al., 2022)states that the CEO has no effect on company performance. The activities carried out by ceos are not directly related to company performance, although their decision-making styles show significant differences in the signals they send to the capital markets . On research (Kartikaningdyah & Putri, 2017)and(Karinda et al., 2022) stated that the CEO would not influence the company's performance. All managers have the same role in improving company performance, this is not based on responsibility. C eo No influence results finance, Which can caused by a number factor. First, ceo Which Already long took office tend No change strategy Which has applied during This Because Already comfortable with his role (Kwalomine, 2018). Research (Maduwu & Simbolon, 2023)states that female CEOs cannot influence company performance. In terms of funding and investment, investors and creditors do not see the CEO so they can invest or inject funds into the company, but investors and creditors only need to look at the company's financial reports. Of course, ownership share ceo Which low make ceo seen by investors as holder share minority other. Besides That, ownership Which low make ceo feel not enough own business And not enough motivated For increase performance business (Ahmad & Siregar, 2023).

**The Influence of the Board of Directors on Company Performance**

A more gender diverse board group demands greater audit effort and management responsibility. The influence of gender diversity in the management group on company decisions also depends on the quality of company management . In well-run companies, gender-diverse boards can damage company value through unnecessary oversight (Liu et al., 2014).

Research (Widyati, 2013b)states that the size of the board of directors has no effect on company performance. The optimal number of board of directors depends on each company. This shows that the number of board of directors does not guarantee effectiveness in carrying out their responsibilities in managing the company. Research (Marpaung, Koto, et al., 2022)states that the board of directors is not affected by company performance . This is shown by observing the pattern where women's participation in the management structure is still very low compared to men's management, both in Indonesia and in Asian countries, there are usually cultures and religions that consider matters related to leadership to be given to men. So this factor is considered as one of the obstacles to investment in the board of directors. Research (Roika et al., 2019)states that the board of directors has no effect on company performance. The sample used in this research is public companies listed on the Indonesia Stock Exchange and there is a strong assumption that these listed companies have been around for a long time, so they tend to have specific factors that can result in overvaluation of the company, such as a strong brand name. Meanwhile, according to research, the board of directors has no effect on company performance.

**The Influence of the Audit Committee on Company Performance**

The role of the audit committee is important because it influences the quality of company results, which is one of the important public information that investors can use to evaluate the company. The presence of audit committee members will ensure this in the implementation of effective corporate governance and financial reporting processes, because the audit committee has adequate expertise and independence. The research results (Marpaung, Harjito, et al., 2022)show that the audit committee does not have a significant influence on company performance. This may be because too many audit committee members would not be good for business as there would be a lot of duties or tasks to be divided. This makes audit committee members lack concentration in carrying out their duties so they cannot improve business performance. In research, (Kusumawardhany & Shanti, 2021)the audit committee has no effect on company performance. The audit committee is tasked with assisting the Board of Commissioners in supervising the preparation of financial reports by the Board of Directors in order to increase the reliability of financial reports. In this study, the size of the audit committee does not affect company performance as measured by ROA because all audit committees, both small and large, have the same tasks, namely considering the accounting policies implemented by the company, evaluating internal controls, reviewing external reporting systems, and legal requirements. On research(Adiati

Agustinus Santosa Adiwibowo, 2017) The audit committee has no effect on company performance. Shareholders argue that an independent person on the audit committee would be more difficult to supervise. Apart from the difficulty of monitoring by management, the knowledge required by the audit committee greatly influences the company's performance, because the company certainly has its own characteristics.

## Conclusion And Recommendation

### Conclusion

Based on the results of data analysis from 45 samples during the period 2019 to 2021 which were processed using eviews 13 software, it shows that the Command Effect Model (CEM) approach to examine the influence of female CEOs, female board of directors and audit committees, as well as company age, company size and leverage as a control variable for the performance of banking companies listed on the Indonesian Stock Exchange. The result is that all variables together have no effect on company performance. Based on the analysis of research results and discussions previously described, several conclusions that can be drawn are as follows:

1. Female CEOs have no effect on company performance. This can be attributed to the activities carried out by CEOs not being directly related to company performance, although their decision-making styles show significant differences in the signals they send to the capital markets.
2. The board of directors has no influence on company performance. The optimal number of board of directors depends on each company. This shows that the number of board of directors does not guarantee effectiveness in carrying out their responsibilities in managing the company.
3. The audit committee does not have a significant influence on company performance. This may be because too many audit committee members would not be good for business as there would be a lot of duties or tasks to be divided. This makes audit committee members lack concentration in carrying out their duties so they cannot improve business performance.

### Suggestion

The suggestions that can be used as input and references from the research results that have been studied are:

1. It would be better for this research to examine the proportion of women in female CEOs, female boards of directors and audit committees in order to analyze the extent of women's influence on company performance.
2. It is better to analyze the role of women through the number of women who hold independent positions on the board of directors, the percentage of women on the board of directors and the percentage of women directors who are present in the meeting room.
3. It would be better if the influence of control is an indication of policy determinants in agency problems that can affect banking companies.

## References

Arseto, DD, & Jufrizen, J. (2018). The Influence of Return On Assets and Current Ratio on Dividend Payout Ratio with Firm Size as a Moderating Variable. Maneggio: Scientific Journal of Masters in Management , 1 (1), 15-30.

Adiati, Y., & Adiwibowo, AS (2017). The Influence of Audit Committee Characteristics on the Performance of Banking Companies on the Indonesian Stock Exchange 2013-2015. Diponegoro Journal of Accounting, 6 (4), 363-377.

Amran, NA, Yusof, MAM, Ishak, R., & Aripin, N. (2014). Do Characteristics Of CEO And Chairman Influence Government-Linked Companies Performance? Procedia-Social And Behavioral Sciences , 109 , 799-803.

Anggraeni, G., Kristanti, FT, & Muslih, M. (2016). The Influence of Intellectual Capital, Gender Diversity, Age Diversity, and Tenure Diversity on Company Financial Performance (Study of the Conventional Private Banking Sector Industry Listed on the Indonesia Stock Exchange (BEI) for the 2011-2014 Period). eProceedings Of Management , 3 (2), 54-60.

Ariani, D., & Fitdiarini, N. (2014). The Role of the Founding Family in Creating Financial Performance and Company Market Value in Family Companies. Journal of Theoretical and Applied Management, 7(2) , 78-92.

Astuti, EP (2017). The Influence of Board of Directors Diversity on Company Value in Manufacturing Companies Listed on the Indonesian Stock Exchange for the 2008-2011 Period. CREATIVE: Pamulang University Management Study Program Scientific Journal, 4 (2), 159-179.

Bayrakdaroglu, Ali., Ersoy, E., & Citak, L. (2012). Is There A Relationship Between Corporate Governance And Value-Based Financial Performance Measures? A Study Of Turkey As An Emerging Market. Asia-Pacific Journal Of Financial Studies, 41 (2), 224-239.

Faisal, M. (2020). CEO Characteristics and Enterprise Risk Management. Journal of Accounting and Finance Research Vol , 8 (1), 24-36.

Obradovich, J., & Gill, A. (2013). The Impact Of Corporate Governance And Financial Leverage On The Value Of American Firms. International Research Journal Of Finance And Economics, 91 (2), 46-56.

Hamdani, R., & Shareza Hafiz, M., Koto, M., & Marpaung, AP (2022) Female Directors And Firm Performance: Evidence Of Family Firms In Indonesia. Asian Journal Of Economics, Business And Accounting , 52 (2), 19-30

Hartono, DF, & Nugrahanti, YW (2014). The Influence of Corporate Governance Mechanisms on the Financial Performance of Banking Companies. Dynamics of Financial Accounting and Banking , 3 (2), 16-25.

Iswara, PW (2014). Corporate Governance and Company Performance. Journal of Accounting, Economics and Business Management , 2 (2), 121-131.

Jufrizen, J., & Rambe, M. F. (2023). The Influence of Return On Assets, Current Ratio, And Debt To Asset Ratio On Firm Value With Firm Size As A Moderating Variable: (Case Study of Large Trade Sub-Sector Companies Listed on the Indonesian Stock Exchange 2016-2020). Owner: Accounting Research and Journal , 7 (1), 576-598.

Julita, J., & Fitri, DD (2021, August). The Influence of Firm Size, Managerial Ownership and Return on Assets on the Dividend Payout Ratio in Property and Real Estate Companies Listed on the Indonesian Stock Exchange for the 2014-2018 Period . In National Seminar on Social and Humanities Educational Technology , 1 (1), 133-147.

Kusumawati, A. (2007). Leadership from a Gender Perspective: Are There Differences? Profit: Journal of Business Administration, 1 (1), 21-34.

Listyorini, WW (2012). Analysis of the Influence of Camel on the Performance of Banking Companies that Go Public. Dynamics of Financial Accounting and Banking, 1 (2), 25-35.

Marpaung, AP, Harjito, DA, Hamdani, R., & Ghazali, AW (2022). Boards of directors' feminism, audit committees, and corporate social responsibility. Journal of Economics and Business , 25 (1), 16-30.

Matsa, D. A., & Miller, A. R. (2013). A Female Style In Corporate Leadership? Evidence From Quotas. American Economic Journal: Applied Economics , 5 (3), 136-169.

Mohamed, E. B., Jarboui, S., Baccar, A., & Bouri, A. (2015). On The Effect Of CEOs' Personal Characteristics In Transport Firm Value? A Stochastic Frontier Model. Case Studies On Transport Policy , 3 (2), 176- 181..

Muhammad, R., & Pribadi, P. (2020). The Influence of Bonus Compensation, Education and Gender Composition of the Board of Directors on Profit Management in Sharia Banks in Indonesia. Scientific Journal of Islamic Economics , 6 (1), 53-69.

Muryati, NNTS, & Suardikha, IM (2014). The Influence of Corporate Governance on Company Value. Udayana University Accounting E-Journal, 9 (2), 411-429.

Natonis, S.A. (2019). Ceo Behavioral Influences Firm Performance: A Study Literature: Ceo Behavioral Influences Firm Performance: A Study Literature. Owner: Accounting Research and Journal , 3 (2), 250-259.

Priatna, H. (2016). Measuring Company Performance with Profitability Ratios. Accurate| Fe Unibba Accounting Scientific Journal , 7 (2), 44-53.

Purwoko, D., & Sudiyatno, B. (2013). Factors Affecting Bank Performance (Empirical Study of the Banking Industry on the Indonesian Stock Exchange). Journal of Business and Economics, 20 (1), 14-22.

Romano, G., Ferretti, P., & Rigolini, A. (2012). Corporate Governance And Performance In Italian Banking Groups. Paper To Be Presented At The International Conference , 3 (1), 1-35.

Sahban, H. (2016). The Role of Women's Leadership in Decision Making in Indonesia. Bongaya Scientific Journal , 1 (1), 56-71.

Santoso, SA, & Wahyudi, S. (2021). The Influence of Corporate Governance and Corporate Social Responsibility Mechanisms on Financial Performance with Gender Diversity as a Moderating Variable. Journal Of Literate Syntax , 69 (12), 45-60.

Saeed, A., Yousaf, A., & Alharbi, J (2017). Family And State Ownership, Internationalization And Corporate Board-Gender Diversity: Evidence From China And India. Cross Cultural & Strategic Management , 24 (2), 251-270.

Setiawan, A., Sukarmanto, E., & Fadilah, S. (2016). The Influence of the Size of the Board of Directors, Size of the Board of Commissioners, Independent Commissioners, Managerial Ownership and Institutional Ownership on Financial Distress (Empirical Study of Pharmaceutical Sector Manufacturing Companies Listed on the Indonesian Stock Exchange T. Accounting Proceedings , 34 (2 ), 285 -292.

Siringoringo, R. (2012). Characteristics and Functions of Banking Intermediation in Indonesia. Monetary Economics and Banking Bulletin, 15 (1), 61-83.

Suciwati, DP, Pradnyan, DPA, & Ardina, C. (2017). The Influence of Corporate Social Responsibility on Financial Performance. Journal of Business and Entrepreneurship , 12 (2), 104.

Sukandar, PP, & Rahardja, R. (2014). The Influence of the Size of the Board of Directors and Board of Commissioners and Company Size on the Company's Financial Performance (Empirical Study of Manufacturing Companies in the Consumer Goods Sector Listed on BEI in 2010-2012). Diponegoro Journal of Accounting , 54 (2), 689-695.

Syafirqurrahman, M., Andiarsyah, W., & Suciningsih, W. (2014). Analysis of the Influence of Corporate Governance and the Influence of Funding Decisions on the Performance of Banking Companies in Indonesia. Journal of Accounting , 18 (1), 21-44.

Tanjaya, FL, & Santoso, EB (2020). Association of CEO Characteristics with the Company's Potential Financial Difficulty. Indonesian Accounting and Taxation Media , 1 (2), 153-168.

Tullah, N.A.J. (2017). The Influence of Gender and CEO Educational Background on the Financial Performance of Public Companies Listed on the Indonesian Stock Exchange. Akunesa Accounting Journal, 6 (1), 1-20.

Wahyunti, S. (2018). The Role of Women in the Family Economy. J-Esa (Journal of Sharia Economics) , 1 (2), 269-281.

Widyati, MF (2013). The Influence of the Board of Directors, Independent Commissioners, Audit Committee, Managerial Ownership and Institutional Ownership on Financial Performance. Journal of Management Science, 1 (1), 234-249.